

RNI spikes on \$60M financing package

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SHARES in Resource and Investment surged 16% this morning after it announced plans for a \$A60 million financing package for the Grosvenor gold project in Western Australia.

The company said a term sheet had been signed with a London-based fixed interest fund, and the package was set to include a split of senior debt and convertible bonds.



The Grosvenor gold plant

The deal is still subject to due diligence and other conditions and approvals, and RNI said the final structure would be determined on completion of due diligence. In addition to the financing package, RNI also announced plans to raise \$3.7 million before costs through a placement to the London fund.

The placement, which remains subject to the clearance of funds, will involve the issue of 49.8 million ordinary fully-paid shares at 7.5c apiece.

RNI said the cash would be used for general working capital. All up the \$63.7 million package will allow RNI to repay its short-term debt to Taurus Resources No 2 Fund.

It will also allow the company to finance the development of the 100%-owned Grosvenor project in WA's Bryah Basin.

As part of the deal a representative from the London fund will join the RNI board as a non-executive director.

Looking ahead RNI said production at Grosvenor could start within nine months of financing, with project infrastructure and permits already in place.

RNI shares were last trading 16.7% higher at 7c.